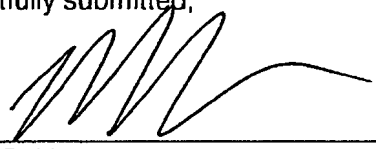


and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application cited above or any patent issued thereon. Further Declarant sayeth not.

Respectfully submitted,

Date: April 4, 2007

  
\_\_\_\_\_  
Manish B. Vyas  
Reg. No. 54,516

Manager, Patent Services  
Authorized agent for KCC Group Limited  
P.O. Box 1212  
Houston TX 77251

Tel: (713) 939-2343  
Fax: (713) 939-2856  
Manish.Vyas@c-a-m.com

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: : OFFICIAL  
James Edward Delves, et al. :  
Serial No.: 10/573,716 :  
PCT No.: PCT/GB04/04145 : Group Art Unit:  
International Filing Date: 28 Sept. 2004 : Examiner:  
Priority Date: 29 Sept. 2003 : Docket No.: DPS-030810 PET-1015US  
For: APPARATUS FOR :  
ENHANCING SOLUBILITY :

DECLARATION AND STATEMENT OF FACTS IN SUPPORT OF FILING ON  
BEHALF OF NONSIGNING INVENTORS AND ESTABLISHING PROPRIETARY  
INTEREST FOR APPLICATION FILED UNDER 37 CFR §1.47(b)

Mail Stop PCT  
Commissioner for Patents  
Office of PCT Legal Administration  
P. O. Box 1450  
Alexandria, Virginia 22313-1450

I, Manish B. Vyas, hereby declare that:

Statement of Facts in Support of Filing on Behalf of the Nonsigning Inventors

I hereby certify that this correspondence, and any attachments referred to, is being deposited with the United States Postal on this 16<sup>th</sup> day of April 2007 in an envelope as "Express Mail Post Office to Addressee" Mailing Label No. EV835823865US addressed to: Mail Stop PCT, Commissioner for Patents, Office of PCT Legal Administration, P.O. Box 1450, Alexandria, Virginia 22313-1450

APRIL 16, 2007  
Date of Deposit

Date

David L. Mossman  
David L. Mossman

Upon information and belief, I am signing on behalf of the non-signing inventors and I am a person showing a sufficient proprietary interest for the Applicant KCC Group Limited; thus I recite facts as to why this action was necessary to preserve the rights of the parties.

Upon information and belief, I attest that KCC Group Limited, for which I am authorized to sign, has a *bona fide* intent and plan to disclose, publicize, market and otherwise commercialize the invention described and claimed in the subject patent application to potential customers within the United States as soon as possible after the subject patent application is accepted. Such disclosure, publicity and marketing without acceptance by the United States Patent and Trademark Office would jeopardize the rights of the parties herein – the owners of the rights in the invention.

Upon information and belief, I understand that a primary reason for the ownership of the rights in an invention is to commercially exploit it, and such exploitation of the claimed invention herein is the intent of the owner KCC Group Limited.

Upon information and belief, I respectfully submit that the intent and plan to disclose, publicize and market the invention described and claimed in the subject patent application to potential customers within the United States constitutes a firm plan for commercialization of the subject matter of the subject application.

Statement by a Person Signing on Behalf of the Nonsigning Inventors Establishing Proprietary Interest

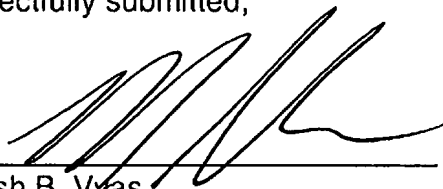
Upon information and belief, I attest that by virtue of the attached copy of the Certificate of KCC Group Limited signed by George Mackie, Director of Finance, Eastern Hemisphere, on January 30, 2006, attached hereto as Exhibit 1, I am authorized to sign the attached Declaration and Power of Attorney for Patent Application on the above-identified application on behalf of the nonsigning inventors and make this statement as to the facts establishing my proprietary interest by virtue of the Certificate.

Upon information and belief, I attest that my relationship to the inventors is an authorized agent of the current owner of the invention, KCC Group Limited.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements are made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application cited above or any patent issued thereon. Further Declarant sayeth not.

Respectfully submitted,

Date: April 4, 2007

  
\_\_\_\_\_  
Manish B. Vyas  
Reg. No. 54,516

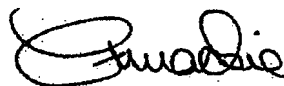
Manager, Patent Services  
Authorized agent for KCC Group  
Limited  
P.O. Box 1212  
Houston TX 77251  
Tel: 713.939.2343  
Fax: 713.939.2856  
Manish.Vyas@c-a-m.com

**KCC GROUP LIMITED**

I, George Mackie, do hereby certify that I am Director of Finance, Eastern Hemisphere for KCC Group Limited (the "Company"); and that below is a true and complete resolution. I hereby resolve the following:

THAT, Peter Bielinski and Manish B. Vyas be, and hereby are, authorized and empowered to execute intellectual documents on behalf of the Company and its subsidiaries.

IN WITNESS WHEREOF, I have hereunto set my hand this 30<sup>th</sup> day of January, 2006.



---

George Mackie  
Director of Finance, Eastern Hemisphere

ASSIGNMENT

This Assignment is between:

- (1) Dynamic Processing Solutions Limited – In Administration  
8 Combe Road,  
Portishead  
Bristol  
BS20 6BJ  
UNITED KINGDOM

Acting by its Joint administrators  
Mr S Haskew and Mr A H Beckingham  
Of Begbies Traynor, 58 Queen Square  
Bristol BS1 4LF

(hereinafter referred to as "the Assignor");

and

- (2) KCC Group Limited  
111 Windmill Road  
Sunbury on Thames  
Middlesex  
TW16 7EF  
UNITED KINGDOM

(hereinafter referred to as "the Assignee").

WHEREAS:

(A) The Assignor has applied to the Patent Office of the United Kingdom for patents under the Patents Act 1977 and to the Patent Office of the United Kingdom as Receiving Office for the World Intellectual Property Organisation (WIPO) for patent applications under the Patent Cooperation, hereinafter collectively referred to as "the Applications", further particulars of which are given in the Schedule hereto in respect of the Inventions respectively disclosed in the Applications (hereinafter collectively referred to as "the Inventions").

(B) On 13 July, 2004, the Assignor entered Administration. Pursuant to the sale agreement dated 1 September, 2004, the Assignor sold all right, title and interest it may have had in the inventions and Applications to the Assignee.

(C) Pursuant to the sale agreement dated 1 September, 2004, the Assignor has agreed to assign to the Assignee such right, title and interest it may have in the Inventions and the Applications upon the terms and conditions set out in the sale agreement and as set out below.

NOW IT IS HEREBY AGREED:

1. In pursuance of the said agreement and in consideration of the sum of One Pound (£1.00) now paid by the Assignee to the Assignor (receipt of which the Assignor hereby acknowledges) the Assignor with full title guarantee HEREBY ASSIGNS unto the Assignee:

1.1 the Invention and the full and exclusive benefit of them;

1.2 all the rights of the Assignor in and to the Applications and the full and exclusive benefit of them and all rights privileges and advantages associated with them;

1.3 the full right to apply for and obtain patents or other similar forms of protection in respect of the Inventions in the United Kingdom and throughout the world;

1.4 the right to make any new application or applications in respect of any part or parts of the subject-matter of any application or specification filed in connection with the Inventions, including but not limited to any divisional application, continuation application, and continuation-in-part application, and the right to claim priority from any of the Applications;

1.5 any patents or other similar forms of protection granted in respect of the Inventions in the United Kingdom or throughout the world pursuant to the Applications;

1.6 the right to bring proceedings for any previous infringement of the rights assigned by the Assignment, including but not limited to the right to claim damages for past infringement arising after publication of any of the Applications; and

1.7 the right to claim priority of the Applications under the Paris Convention or other convention or treaty giving rise to a right to priority when making applications.

2. The Assignee hereby acknowledges and agrees with the Assignor that the Assignor is not executing this Assignment with the intention of accepting any personal or other liability hereunder and that accordingly any liability of the Assignor (and specifically the Joint Administrators), their employees or agents under this Assignment or arising directly or indirectly in connection therewith is expressly excluded. The Assignee specifically excludes any warranty as to the accuracy of the schedule of patents annexed hereto.

3. In the event of any discrepancy between the terms of this Assignment and the terms of the sale agreement dated 1 September, 2004, the terms of the sale agreement dated 1 September, 2004, shall have precedence, excluding the schedule of patents annexed hereto.

IN WITNESS whereof the parties hereto have caused this Assignment to be duly executed as a Deed on the date first set forth below.

On behalf of Dynamic Processing Systems Limited:

By: 

Name: SIMON ROBERT HASKE

Title: JOINT ADMINISTRATOR

Date: 25 NOVEMBER 2004

Place: BRISTOL

On behalf of KCC Group Limited:

By: 

Name: MICHAEL P HARTMANN

Title: MANAGER, PATENT SERVICES

Date: NOVEMBER 30, 2004

Place: HOUSTON, TEXAS USA



# SCHEDULE

Application Number	Filing Date	Title
GB0325597.3	3 November, 2003	Transferring Apparatus for settled or suspended solids
PCT/GB03/004695	3 November, 2003	Apparatus for transferring settled or suspended solids from an open vessel into a closed vessel
GB0308291.4	10 April, 2003	Filtration Apparatus
PCT/GB04/001351	31 March, 2004	Filtration Apparatus
GB0309606.2	28 April, 2003	Mixing Device
PCT/GB04/001841	28 April, 2004	Mixing Device
GB0315734.4	4 July, 2003	Separator
PCT/GB04/002874	2 July, 2004	Separator
GB0404417.8	27 February, 2004	Cyclone assembly and method for increasing or decreasing flow capacity of a cyclone separator in use
GB0212728.0	31 May, 2002	Swirling flow fluidizing nozzle and fluid outlet combination
PCT/GB03/002370	30 May, 2003	Fluidising apparatus
GB0228199.6	3 December, 2002	Filter tank including filter media discharge means
PCT/GB03/005174	28 November, 2003	Apparatus for inhibiting fines carryover
GB0322754.3	29 September, 2003	Solubility reactor

Telephone completion 17.22.04  
Middley/Watson

## Exhibit 3

AN AGREEMENT made the

1<sup>st</sup>

day of September 2004

### BETWEEN:

- (1) Dynamic Processing Solutions Limited (In Administration) whose registered office is at 8 Combe Road, Portishead, Bristol BS20 8BJ registered in England number 04420048 ("the Seller") acting by its Joint Administrators, Mr A H Beckingham and Mr S Haskew of Begbies Traynor, 58 Queen Square, Bristol BS1 4LF ("the Administrators")

and

- (2) KCC Group Limited whose registered office is at 111 Windmill Road, Sunbury on Thames, Middlesex TW16 7EF registered in England number 03468033 ("the Buyer")

### WHEREAS:

- 1 On 13 July 2004 the Seller appointed the Administrators as joint administrators of the Company.
- 2 The Seller has agreed to sell and the Buyer has agreed to purchase whatever right, title and interest the Seller may have in certain assets used by it in the Business.
- 3 The Seller has the benefit of specific patents and any other intellectual property rights listed at Schedule 1 hereto and purports to own these patents and other intellectual property rights.
- 4 The Buyer is entering into this Agreement having made such inspection and investigation of the Assets as it thinks fit, on the basis of a purchase by the Buyer of the Assets "as is" and in full knowledge and acceptance of the terms and conditions of

this Agreement and, in particular (but without limitation), of the fact that the price to be paid for the Assets has been calculated on the acknowledged basis that the risk of good title to all or any of the Assets not passing to the Buyer is the Buyer's alone and that since the Buyer is contracting with a company in administration the terms and conditions of this Agreement are reasonable.

- 5 The Buyer will buy the Assets on the Completion Date and be responsible for all costs, expenses, claims and liabilities as may relate thereto as may arise after that date.

1 **Definitions**

- 1.1 In this Agreement (including the recital and the schedules), except where a different interpretation is clear from or necessary in the context, the following expressions shall have the following meanings:

the Assets shall mean the Intellectual Property Rights and the Items.

the Business the business of design and manufacture of separation and crude stabilisation equipment (and the operation of such equipment) in the Oil and Gas industry carried on by the Seller

Business Day any day (other than a Saturday) on which clearing banks in the City of London are open to customers and clients for business

the Buyer's Solicitors Messrs Baker & McKenzie, 100 New Bridge Street, London EC4V 6JA

Completion	completion of the acquisition of the Assets in accordance with the terms of clause 4
the Completion Date	the date hereof
the Goodwill	the goodwill of the Seller in relation to the Business (subject as set out in clause 8) together with the exclusive right (so far as the Seller can grant it) to utilise the name Dynamic Processing Solutions or DPS in the carrying on of a business
Intellectual Property Rights	the rights of the Seller set out at Schedule 1 hereto
the Items	shall mean the products and equipment set out at Schedule 3 hereto
the Property	The leasehold premises at 8 - 10 Combe Road, Portishead, North Somerset BS20 6BJ
the Retained Assets	all assets not expressly sold to the Buyer pursuant to the terms of this Agreement including those particularly described at Schedule 2 and in circumstances of any discrepancy between the Assets and the Retained Assets the Retained Assets will have precedence
the Regulations	means the Transfer of Undertakings (Protection of Employment) Regulations 1981, as amended
the Seller's Solicitors	Messrs Clarke Willmott, 1 Georges Square, Bath Street, Bristol BS1 6BA

1.2 References to statutory provisions shall be construed as references to any statutory modification or re-enactment thereof (whether before on or after the date of this Agreement) for the time being in force and to any former statutory provision replaced (with or without modification) by the provision referred to and shall include all statutory instruments or orders from time to time made pursuant thereto.

1.3 References to clauses are to clauses of this Agreement.

1.4 The headings in this Agreement are included for convenience only and shall not affect the interpretation or construction of this Agreement.

1.5 Words and expressions defined in the Companies Act 1985 bear the same meaning in this Agreement.

## 2 Sale and purchase of the Assets

2.1 The Seller shall sell and the Buyer shall buy such right, title and interest as the Seller may have in and to the Assets with effect from the Completion Date.

2.2 Subject as otherwise expressly provided in this Agreement, the Buyer shall pay all proper monies, taxes, fees, expenses and outgoings accruing or incurred in connection with the Assets arising or relating to a period after Completion. All necessary apportionments will be made with effect as from the Completion Date on a normal accounting basis and any sums due by one party to any other in respect of any such apportionment shall be paid as and when the same shall be ascertained.

## 3 Consideration payable by the Buyer

- 3.1 The purchase consideration payable by the Buyer to the Seller shall be the sum of £306,000 (three hundred and six thousand pounds) plus value added tax payable on the Completion Date.
- 3.2 The purchase consideration shall be paid in full on the Completion Date.
- 3.3 The purchase consideration shall be paid by the Seller to the Buyer's solicitors by way of bankers draft drawn on a UK clearing bank or by telegraphic transfer to: Natwest Bank Taunton, Account Number: 29642973, Sort Code: 60 80 06, reference: 9/247/951462/22.
- 3.4 All sums payable shall be paid without deduction, withholding, off-set or counterclaim whatsoever.
- 3.5 The Seller's Solicitors are authorised by the Seller to receive payment of the purchase consideration on the Seller's behalf and the Seller's Solicitors receipt shall be a sufficient discharge for the Buyer.
- 3.6 The purchase consideration payable by the Buyer is subject to value added tax which shall be payable in addition to the purchase consideration on the presentation by the Seller of the relevant value added tax invoices.
- 3.7 If any payment falls due on a day which is not a Business Day, payment shall be made on the next Business Day.

#### 4 Completion

- 4.1 Completion shall take place on the Completion Date at the offices of the Seller's Solicitors or as may be otherwise agreed.

- 4.2 At Completion the Buyer shall transmit by bankers draft drawn on a UK clearing bank or telegraphic transfer in accordance with clause 3 the whole of the purchase consideration for the Assets and on receipt of such telegraphed sum the Seller shall (insofar as it is able) deliver or give possession of the Assets to the Buyer.

## **5 Retention of Title**

- 5.1 On the Completion Date risk to the Assets shall pass to the Buyer and the Buyer shall effect its own insurances in respect thereof.
- 5.2 The Buyer shall accept the title of the Seller to the Assets without requisition or enquiry.
- 5.3 If any of the Assets of which the Buyer is given possession are found (by agreement between the Buyer and the owner concerned or by a competent court) not to be owned by the Seller or to be subject to any charge lien or other incumbrance the Buyer undertakes promptly to settle direct with the owner of such of the Assets and/or the party having the benefit of such lien charge or encumbrance any and all liability arising in respect thereof (unless otherwise agreed with the relevant owner or other third party concerned).
- 5.4 The Buyer agrees to indemnify and keep indemnified and held harmless the Administrators and each of them against all actions claims liabilities demands and costs whatsoever arising directly or indirectly on account of the giving of possession of the items referred to in clause 5.3 above, provided that the Administrators will as soon as reasonably practicable upon receipt of any such claim provide full details to the Buyer and such information as the Buyer may reasonably request to enable the Buyer to determine the validity and extent of such claim.

## **6 Creditors and Apportionments**

6.1 The Buyer shall pay all monies henceforth accruing or to be incurred in respect of the Assets which may arise or relate to any period after the Completion Date but subject thereto the Buyer shall not (unless otherwise expressly provided in this Agreement) have any responsibility for any other creditors nor for any matter or thing done or occurring in relation to the Business up to the Completion Date

6.2 The Buyer will forthwith on demand pay the full cost of any services or other assistance requested of the Seller by the Buyer on or after the Completion Date.

6.3 All necessary apportionments on a usual accounting basis shall be made to give effect to this clause and any sums due will be paid within three Business Days of demand.

## 7 Employees

7.1 No rights, obligations or liabilities of the employees or former employees of the Seller shall pass to the Buyer under this agreement and the parties consider that the Regulations will not apply as a result of the sale of the Assets under this Agreement.

7.2 However, should any liability under the Regulations be imposed upon the Buyer it will be the Buyer's liability alone and the Buyer shall have no recourse against the Seller or the Administrators in respect of any claim made by or in relation to any of the employees or former employees of the Seller, whether by virtue of the Regulations, the Collective Redundancies and Transfers of Undertakings (Protection of Employment) (Amendment) Regulations 1999 or otherwise howsoever.

## 8 Goodwill



The Buyer acknowledges that the name "Dynamic Processing Solutions Limited" or "DPS" and the rights therein (including without prejudice to the generality of the foregoing the right to use the name Dynamic Processing Solutions Limited or DPS in relation to the Business) are specifically excluded from sale pursuant to this agreement.

## **9 Records and certification**

9.1 The Seller and the Administrators agree to deliver up to the Buyer's Solicitors upon reasonable request by the Buyer or the Buyer's Solicitors within one month of the Completion Date any documentation and/or certification they have in their possession relating to the Assets and which are reasonably required.

9.2 The Seller and the Administrators agree to give notice of the assignment of the Licence Agreement referred to at Schedule 1(6) and execute or endorse any document or assignment if reasonably required of them by the Buyer (at the Buyer's expense) solely in order to perfect the transfer of the Assets pursuant to this Agreement.

9.3 Nothing in this clause or Agreement will require the Seller or the Administrators to do or allow to be done any act which will result in any liability being incurred by the Seller or Administrators howsoever arising to any third party.

## **10 Exclusions of Liability**

10.1 The Buyer acknowledges and agrees with the Seller and the Administrators as follows:

- (a) that the Seller's and Administrators' knowledge of the Assets is limited and that some may be subject to claims by third parties under reservation of title, liens or otherwise and for the avoidance of doubt it is agreed that due allowance for

the existence of such claims has been made in fixing the purchase consideration payable under this Agreement.

- (b) that if it is found that the Seller does not have title or unencumbered title to any of the Assets purported to be sold under this Agreement the Buyer expressly agrees that it shall have no right either to rescind this Agreement or to claim damages or a reduction in the consideration paid or payable under this Agreement.
- (c) that the interest in the Assets which the Seller sells and the Buyer buys is such right, title and interest as the Seller may have at the Completion Date and references to the Assets shall mean such right, title and interest.
- (d) that all representations, warranties and conditions, express or implied, and whether statutory or otherwise, are expressly excluded upon, and in relation to, the sale of the Assets. Without limiting those general words of exclusion, there are excluded in particular warranties and conditions as to title, quiet possession, satisfactory quality, fitness for any particular, or any, purpose and as to description, either as regards the Assets or any asset the use of which by the Buyer may be permitted hereunder. Nothing in any Schedule to this Agreement shall constitute a warranty in respect of any of the Assets, and save as expressly set out herein any lists of any part of the Assets contained in such schedule is by way of guidance only and is not an exhaustive or complete list of the items in question.
- (e) that the Assets are sold in their present state and condition, and whereabouts, and subject to all faults.
- (f) that it has satisfied itself as to the state and condition, and whereabouts to the Assets and as to their fitness for such purpose or purposes as the Buyer may

intend to use them, and as to their correspondence with any description given or to be implied. It is accepted that no reliance has been placed in this regard on any statement, or silence, of the Seller or of the Administrators or of their employees, advisers, valuers, agents, partners or representatives.

(g) that the exclusions of liability in this Clause shall arise and continue notwithstanding the termination of the Administrators' agency before or after the signing of this Agreement and shall operate as waivers of any claims in tort as well as under the law of contract.

(h) that such exclusions shall be in addition to, and not in substitution for and notwithstanding any right of indemnity or relief otherwise available and shall continue as well after as before completion of this Agreement in whole or in part.

(i) the Seller hereby expressly excludes any liability howsoever arising in respect of any cost, loss, damage, expense, order or award suffered or incurred by any party to this Agreement suffered or incurred by reason of any proceeding, claim or demand made pursuant to Section 320 of the Companies Act 1985.

(j) that the provisions of this Agreement, in particular those in this clause, are fair and reasonable in the circumstances of the insolvency of the Seller, and accord with normal practice on Administration sales. This is the case in particular in the light of the fact that:

(1) the Buyer has had the opportunity to inspect and investigate the Assets;

(2) the Buyer is aware of the need to rely on that opportunity by reason of the absence of warranties;

- (3) the Seller is insolvent and faces the constraints of selling necessarily imposed on it in that circumstance;

10.2 The Buyer accepts and agrees that it shall be its responsibility, and at its expense, to apply for and obtain all necessary or appropriate licences, protection orders, legally required consents, permits and rights to use or have the benefit of the Assets and each of them.

10.3 Nothing in this Agreement is to require the Buyer to discharge in whole or in part any liability of the Seller outstanding at the time of entering Administration.

10.4 Each of the sub-clauses of this clause shall be read and construed separately.

10.5 If any of the provisions of this clause is held not to be valid but would be valid if part of the wording were deleted or modified then such provisions shall apply with such modification as may be necessary to make it enforceable.

10.6 Nothing in this Agreement shall operate to restrict or affect in any way any right of the Administrators to any indemnity, or to a lien, whether under the Insolvency Act 1986 or in any other way whatever.

## 11 Miscellaneous

11.1 Each party hereto shall pay the costs and expenses incurred by it in connection with the entering into and completion of this Agreement.

11.2 This Agreement shall be governed by and construed in accordance with the law of England and Wales and the parties submit to the non-exclusive jurisdiction of the courts of England and Wales.

- 11.3 The Buyer shall pay any stamp duties payable in respect of this Agreement or any other document entered into or executed in connection herewith.
- 11.4 Any demand, notice or communication given under or pursuant to this Agreement shall be in writing and shall be served by sending the same by pre-paid first class post or by delivering the same by hand to the usual or last known address or registered office of the relevant party and any notice so served shall be deemed to have been served if delivered by hand at the time of such delivery and if sent through the post 24 hours (excluding Saturdays, Sundays and statutory holidays) after the time of despatch and in proving service it shall be sufficient to prove in the case of a letter that such letter was properly delivered or stamped, addressed and placed in the post (as the case may be).
- 11.5 No failure to exercise and no delay in exercising on the part of any party of any right power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise any such right power or privilege preclude any further or other exercise thereof or the exercise of any other right power or privilege.
- 11.6 All the provisions of this Agreement shall so far as they are capable of being performed and observed remain in full force and effect notwithstanding completion of any part of this Agreement.
- 11.7 The parties agree that the Administrators are acting as agent of the Seller and that neither the Administrators nor their firm, agents or representatives shall incur any personal liability under this Agreement or under any document made to implement its term save that the obligations of the Administrators provided in this Agreement shall be personal to them and enforceable by the Buyer as such in so far as such enforcement may only comprise specific performance and may not include any claim for damages, costs, expenses or other economic loss.

11.8 All provisions of this Agreement shall so far as they are capable of being performed continue in full force and effect notwithstanding completion of this Agreement.

11.9 This Agreement shall be binding on and shall enure for the benefit of each party's successors and assigns.

## 12 The Items

The following provisions shall apply with regard to the Items which are part of the Assets and are located at the Property:

- (a) the Buyer will have the responsibility of removing the Items currently stored at the Property or such other location as the Seller shall inform the Buyer within a period of six months following the Completion Date;
- (b) if the Buyer does not arrange collection of the Items or some other arrangement on terms agreed with the occupier of the Property within that six month period to carry out further development work on and/or utilising the Items the Seller shall be entitled by not less than twenty-eight days notice to require the Buyer (at no cost to the Seller) to collect or procure the collection of the Items;
- (c) failing collection thereof within the period stipulated in such notice, the Seller shall be at liberty to dispose of the Items (and retain any proceeds of disposal) on such terms as it shall see fit.

## 13 Interest

In the event of any default by the Buyer in paying any monies due under this Agreement interest thereon shall be paid at the rate of 3% above the base rate from time to time varying of the Bank of England calculated on a daily basis from the date of default until all such monies have been paid in full together with all interest thereon.

**14 Assignment**

This Agreement shall not be assignable by the Buyer without the prior written consent of the Administrators.

**15 Entire Agreement**

This Agreement supersedes any previous agreement between the parties in relation to the matters dealt with herein and represents the entire understanding between the parties in relation thereto.

## **SCHEDULE 1**

### **INTELLECTUAL PROPERTY RIGHTS**

#### **(1) the Patents**

All patents and patent applications of the Seller as at the Completion Date including but not limited to the following:-

<b>Title</b>	<b>Country</b>	<b>Application Number</b>	<b>Date of Filing</b>
Fluidising apparatus	United Kingdom	0212728.0	31.05.2002
Fluidising apparatus	International	PCTGB0302370	30.05.2002 (earliest priority 31.05.2002)
Feed, solids from open vessels	United Kingdom	0225802.8	05.11.2002
Feed, solids from open vessels	United Kingdom	0325597.3	03.11.2003
Feed, solids from open vessel	International	PCT/GB2003/004695	03.11.2003
Inhibiting fines carry over	United Kingdom	0228199.6	03.12.2002
Dyna-Sep	United Kingdom	0308291.4	10.04.2003
MixTrans	United Kingdom	0309608.2	28.04.2003
Subsea Separation System	United Kingdom	0315734.4	04.07.2003
Solubility Reactor	United Kingdom	0322754.3	29.09.2003
Pop Up	United Kingdom	0404417.8	27.02.2004

#### **(2) The Computer Software**

1. Computational Fluid Dynamics software supplied by Fluent under license, with files associated with patent/patent applications
2. Dyna-Sep Sizing software (not complete) written in Visual Basic (bespoke)
3. Hydro-Trans Sizing spreadsheets written in Excel complete with design manual
4. Any other software owned by the Seller that relates directly to the rights set out in this Schedule.

#### **(3) The Know-how**

Any methods, techniques, processes, discoveries or inventions, specifications, formulae, designs, plans, drawings, data, or other technical information relating to the exploitation of any of the Seller's proprietary technology including without limitation the patents together with any improvements thereto and any trade secrets and including, without being limited to, all



copies of documents in the possession of the Seller (in hard or soft copy) which embody any of the know-how.

**(4) Other intellectual property**

Any other intellectual property rights owned by the Seller which are used in connection with the exploitation of the patents and/or the know-how including without limitation, any copyright works (including rights in computer software), designs (registered or unregistered), database rights, trade marks and trade names (registered or unregistered) (other than the trading name "DPS" and the DPS logo), information protected by any right of confidence; and any patents, know-how or other intellectual property rights which are used by the Seller under licence from any third party (to the extent that the Seller is able to procure the assignment of the right of use thereof).

**(5) Machines and inventory**

Any machinery, tooling, patterns, moulds or other equipment or software (whether standalone programs or enhancements or improvements to licensed computer software, including without limitation the CFD software licence (if assignable)) and any sizing programmes (whether complete or under development) owned by the Seller and used in connection with the exploitation of the patents and/or the know-how together with any stock (inventory) of any products which embody or which were made using any of the patents or the know-how, including but not limited to the items:

**(6) The Seller's Licences**

The benefit of and the right to enforce the benefit of any and all licences and other agreements granted by the Seller to any third party in respect of any of the patents, know-how and/or intellectual property rights, including without limitation the Licence Agreement between the Seller and Xago Limited (formerly known as Environmental Processing Solutions Limited) dated 17 November 2003.

**(7) Goodwill**

Any goodwill specifically pertaining to the rights identified in this Schedule

## SCHEDULE 2

### THE RETAINED ASSETS

- 1 All book and other debts owing to the Seller at the Completion Date and all securities and guarantees for the same and all amounts owing to the Seller in respect of all goods or other assets supplied and invoiced on or before the Completion Date and all deposits prepayments and bills receivable by the Seller at the Completion Date
- 2 Any deposit or prepayment to third parties
- 3 Any cash in hand and at bank and any cheques bills notes or securities
- 4 All investments in any other companies
- 5 The benefit of all policies of insurance and claims thereunder in respect of claims arising prior to the Completion Date
- 6 All freehold and leasehold properties of the Seller and all interests therein
- 7 Any assets subject to hire purchase, hire, conditional purchase, leasing agreement or subject to retention of title
- 8 The contracts entered into by the Seller for the provision of goods and services by or to the Seller in connection with the Business which at Completion remain to be performed in whole or in part by the Seller
- 9 All computer software of the Seller other than that specifically included in the Assets as described in Schedule 1, such excluded software will include but not limited to:-
  - MS Office/Windows
  - Hysys
  - Sage
  - MS project
  - Smartplant
  - Intools
  - Arcserv

10 The Goodwill of the Seller (except any goodwill relating directly to the Intellectual Property Rights).

11 Any vehicles in or about the Property

12 All other assets of the Seller including specifically but not exhaustively:-

12.1 Current Enquiries (Topsides & General Process)

12.2 Full customer lists

12.3 DPS logo

12.4 DPS website

12.5 DPS email addresses

12.6 DPS office numbers/contacts

12.7 DPS mobiles, numbers and contacts

12.8 Catalogues

12.9 Network servers

12.10 Email server

12.11 Back-up server and tape drive

12.12 Back-up tapes (and contents)

12.13 Personal computers and laptops

12.14 Personal printers (all)

12.15 USB Drives

12.16 UPS power supplies

12.17 Binding machine

12.18 Hole punches

12.19 Telephone system

12.20 Desks, tables and chairs (all)

12.21 Bookcases and shelf units

12.22 Filing cabinets

12.23 FPSO model

12.24 Stationary

12.25 Cleaning materials

12.26 Vacuum cleaner

12.27 Kitchen fridges

12.28 ISO 9001 certification

**SCHEDULE 3****ITEMS****Hydro-Trans Stock**

1" Hydro Trans Head In 316L	=	38
1" Hydro Trans Head In Duplex	=	89
2" Hydro Trans Head In 316L	=	30
2" Hydro Trans Head In Duplex	=	17

**Wet Lab Equipment**

Items	Descriptions	Sub - Qty	Qty	Notes
<b>Main Items</b>				
Plastic Hydro Trans			1	In transit OTC (USA)
Model			1	
Hydro Trans Rig			1	
Coriolis meter	Krohne		1	
VIPA	Jonin		1	
Media Screener	Vibrecon, Gough Engineering		1	Not in lab. Stored in Raysons Engineering
Test sieve	Set of 7 sieve and 1 receiver		1	
Barrel Pump			1	
VIPA Computer & Monitor			1	
Data log computer			1	
Data acquisition box			1	
Pressure Transmitter			8	
	On Hydro Trans rig	5		
	On shelf	3		
HPV software			1	
Ceramic			1	In the conference room
Hydrocyclone			1	
Ultrasonic tube and cable			1	
Ultrasonic control unit			1	
Multistage centrifugal pump			1	
Ball valve			2	Stored in the conference room

	4" 600#	1
	2" 150#	1
Hydrolance		1
Hydrolance	Inlet/Discharge	1
Pipeworks/Connecti on		

#### Minor Items

Kettle	Mellerware	1	
Water bath	Rod, Hilson	1	
Oven	Russel Hobbs	1	
Handmixer	Frigidaire	1	
Submersible Pump		1	
Scale	Hanson	1	
Cyclone		2	
	Blue	1	
	Yellow	1	
Temperature probe		1	
pH probe		1	
Pressure gauge	Boss, in box	1	Broken
Coarse sieve		2	
Atmo Trans pump		1	
Frame and hanging scale		1	Electro Samson
Jet pump	Mazzel	2	
Jet pump nozzle	Mazzel	1	
Glassware etc & Lab Consumable			
Measuring Cylinders		6	
	1000ml, plastic	2	
	250ml, glass	2	
	60ml, glass	2	
Measuring Jug		3	
	1000ml, plastic	2	
	500ml, pyrex	1	
Beaker		11	
	1000ml	1	
	200ml	4	
	100ml	4	
	50ml, glass	2	
Volumetric flask	250ml	2	
Conical flask		6	

	250ml	3	
	100ml	3	
Funnel			2
	Big	1	
	Small	1	
Burette			2
	50ml	1	
	10ml	1	
perPH buffer			2
	pH 4, 1 box	1	
	pH 7, 1 box	1	
Bottle			43
	Brown, safeback	2	
	Distilled water bottle	2	
	Plastic	38	
	Dropper bottle	1	
Glove			5
	Box of nitrile glove (Green)	4	
	Box of rubber glove (White)	1	
Sand paper	1 roll		1
Pasteur pipette	Box of		1
Retort stand			1
pH paper	Box of		2
Laboratory brushes			7
Blue paper			7
			6 stored under the stairs and 1 in lab
<b>Pipe &amp; Fittings</b>			
1.5" Pipe	5m long	1	For Hydro Trans rig
2" Pipe	5m long	1	For Hydro Trans rig
Miscellaneous old plastic fittings		2	
	Box of about 10 fittings	1	
	Box of about 20 fittings	1	
Miscellaneous new plastic fittings	Box of about 50 fittings		2
Flanges	Various sizes		2
1.5" Lacron fitting	Spares		3
3" x 2" expander			1
2" union			1
2" tees			2
2" x 1" reducer			3
0.5" ball valve			2
Pipe bracket	Various sizes		3
10mm clear PVC	1 roll about 30m		1

hose		1	
1" clear PVC hose	1 roll about 20m	1	
O ring	Box of about 10	1	
Blue fire hose		1	
Set of short length			
pipes 1" - 2"		1	
Plastic pipes off cuts			
up to 10"		1	
Long lengths clear			
PVC pipe 0.5" - 1"		6	
Various backing			
rings		1	
8" strainer		1	
Hydrolance	Set of 2		
shovel/fittings		1	
3" Pinch valve		1	
1" Gate valve		1	
Long lengths of 2"			
grey PVC		1	
Metal bracket		1	
Timber strand		1	
4" metal pipe		1	
2" metal pipe		1	
1.5" PVC pipe		1	
Unistrut		5	
90° Bend		1	
6" Tees		9	
Tees			
	1" tee	6	
	1.5" tee	3	
	0.752 tee	1	
			18
Bends			
	1.5" 90° Bend	1	
	1" 90° Bend	5	
	0.5" 90° Bend	5	
	1.5" Swept bend	4	
	1" Swept bend	1	
	1" 45° Bend	2	
			23
Reducers			
	2" x 1.5"	1	
	2" x 1"	2	
	2" x 0.75"	3	
	1.5" x 1"	5	
	1.5" x 0.75"	1	
	1" x 0.75"	3	
	1" x 0.5"	6	

	0.75" x 0.5"	2	
Unions	1" union		3
Valves			4
	0.5" Ball valve	1	
	1" Ball valve	1	
	1" Diaphragm valve	1	
	1" pressure relief valve	1	
Various blanks and flanges			1
Various plastic fittings			1
Various pipe brackets			1
Various backing rings			1
<b>Tools &amp; Electrical</b>			
Twist drill head set	Tin box, Screwfix direct		1
Socket set			2
	Blue box	1	
	Grey box, Halfords	1	2 sockets & 1 ratchet handle missing
Torque wrench set	Red box		1
Drill set			2
	Grey box, Fern	1	4 drill heads missing
	Black box, Wickes	1	
Spanner set	Silverline, Plastic compartment		1
			1 spanner missing (number 10)
Hex key wrench	Hilke, plastic compartment		1
Screwdrivers			14
	1 set Diapers, Green handle	6	
	Halfords, red	2	
	Stanley	2	
	Stanley, greenish blue, Phillips head	1	
	Felo, black	1	
	Task force, red handle	2	
Spanners			3
	8" variable head	1	
	Hexagonal	2	
Clamps			4
	Hand clamp, red handle	1	
	G clamp	2	
	G clamp, red	1	
Files	Screwfix, blue handle		2



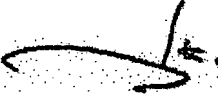
Pliers	Electrician plier, Craftman black	1	
Jubilee clip fitter		1	
Saw		3	
	Hand saw, orange handle	1	
	Steel saw	1	
	Pipe saw (without blade)	1	
Pipe cutter		1	
Penknife		1	
Scissors		1	
Drills	Black & Decker, red	1	
Hammer		2	
	Claw hammer	1	
	Pin hammer	1	
Screwdrivers heads	1 set	1	
Socket heads	1 set	1	
Measuring tape		1	
Halogen light	Black	1	
Pipe bander		1	
Chain socket		1	
Work bench		1	
Extension wire		1	
Sack trolley		1	
Nuts & Bolts, Fixings etc.			
Evostick		1	
WD-40		1	
Araldite	Resin and hardener	1	
Gasket and Joint Compound		1	
UHU glue		1	
Multipurpose oil	3 in 1, 100ml	1	
Small screws, etc	Box of	1	
Nuts, bolts & washers	Box of	1	
Various nuts and bolts		1	
Health and Safety			
Safety helmet		2	Ear defenders attached
Safety goggles		12	
	Full face goggles	3	

	Laboratory goggles	9	5 goggles in a box on the shelf
Gloves			6
	Pair of safety gloves	4	
	Pair of PVC gloves	2	
Face shield			1
Coverall	Blue		5
Lab coat	White		4
Rubber apron	Brown		1
Barrier support			3
Barrier chain			1
Tape			3
	Red/white	1	
	Black/yellow	2	
Extractor fan			1
Dustbin			1
Eyewash			1
Absorbent granules	Bag of		2
Miscellaneous			
Mesh			2
Various items	Box of about 30		1 Item example: jubilee & crocodile clips etc
Tapes			6
	Seal	1	
	Duck	2	
	Brown	1	
	Black	2	
Drums			5
	220L, blue	4	Stored outside. 1 half full of sand and 1 with bags of other solids
	50L, blue	1	Stored outside, empty Duolite drum
Rubber strips			1
Transformer	Orange		1
Bucket			12
	Orange	6	Stored outside
	Black	6	4 stored outside with 1 full of sand
Solvent cement			3
MEK cleaner			3
Methylated spirit			1
Coriolis meter stand			1

Vacuum	Wet/dry combi	1	Stored outside
Decon 75		1	
Detergent		1	
Bund liner		1	
Water container		1	For Hydro Trans model
Straps		2	

AS WITNESS the hands of the Parties or their duly authorised representatives the day and  
year first before written

SIGNED for and on behalf  
of the Seller



SIGNED for and on behalf  
of the Buyer

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: : OFFICIAL  
James Edward Delves, et al. :  
Serial No.: 10/573,716 :  
PCT No.: PCT/GB04/04145 : Group Art Unit:  
International Filing Date: 28 Sept. 2004 : Examiner:  
Priority Date: 29 Sept. 2003 : Docket No.: DPS-030810 PET-1015US  
For: APPARATUS FOR :  
ENHANCING SOLUBILITY :

DECLARATION IN SUPPORT OF PETITION  
FOR APPLICATION FILED UNDER 37 CFR §1.47(b)

Mail Stop PCT  
Commissioner for Patents  
Office of PCT Legal Administration  
P. O. Box 1450  
Alexandria, Virginia 22313-1450

This is a Declaration in support of a Petition for acceptance of a Declaration and Power of Attorney filed by KCC Group Limited on behalf of unavailable joint inventors. In support of the Petition, the following supporting facts are presented:

I hereby certify that this correspondence, and any attachments referred to, is being deposited with the United States Postal on this 16<sup>th</sup> day of April 2007 in an envelope as "Express Mail Post Office to Addressee" Mailing Label No. EV835823865US addressed to: Mail Stop PCT, Commissioner for Patents, Office of PCT Legal Administration, P.O. Box 1450, Alexandria, Virginia 22313-1450

APRIL 16, 2007  
Date of Deposit

David L. Mossman  
David L. Mossman

4.16.2007  
Date

1. I, Paul W. Webb, was a co-founder and director with Mr. James Edward Delves and Mr. David John Parkinson, along with four (4) other founder directors, of Dynamic Processing Solutions Ltd (hereinafter DPS).
2. Mr. Delves was the Research & Development Director of DPS.
3. Mr. Parkinson was the largest shareholder and the Managing Director of DPS from its inception in May 2002 until it went into administration in 2004.
4. The directors were made aware of the invention of the "Apparatus for Enhancing Solubility" and the decision was made to file a patent application; I do not recall the dates or whether this was done in a board meeting.
5. It is my belief that Mr. Delves and Mr. Parkinson were and are the only joint inventors of the "Apparatus for Enhancing Solubility" that is the subject of the instant application, and that they made the invention while employed by DPS. I have no reason to know or believe that this is not true.
6. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements are made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application cited above or any patent issued thereon. Further Declarant sayeth not.

Respectfully submitted,

Date: \_\_\_\_\_

4/16/07

Paul W. Webb  
Xago